

# Higher container volume and rates boost Westports' 2Q earnings

By Justin Lim

KUALA LUMPUR (July 26): Westports Holdings Bhd, which expects to register a high single-digit growth rate for container throughput this year, is continuing to benefit from the container tariff hike since it was implemented on March 1 this year. The group saw higher net profit in its latest quarterly earnings.

In a bourse filing today, Westports said its net profit jumped 36.5% to RM166.32 million in the second quarter ended June 30, 2019 (2QFY19) from RM121.81 million a year ago.

Earnings per share came in higher at 4.88 sen in 2QFY19 compared with 3.57 sen in 2QFY18.

Quarterly revenue also increased 15.3% to RM454.45 million from RM394.04 million in 2QFY18, mainly due to double-digit growth in container volume and the implementation of the container tariff hike.

Westports declared a first interim dividend of 6.74 sen per share amounting to RM229.83 million for the financial year ending Dec 31, 2019, payable on Aug 23. The entitlement date for the dividend payment is on Aug 14.

The group's net profit for the cumulative six months (1HFY19) rose 24.7% to RM306.22 million from RM245.61 million a year ago, while revenue climbed 11.6% to RM869.64 million from RM779.13 million in 1HFY18.

Westports group managing director Ruben Emir Gnanalingam said the port operator continued to enjoy favourable volume recovery after transitioning successfully to a new baseline and transshipment volume last year.

He said the sustained favourable growth at the intra-Asia segment has also supported the company's container volume growth of 17%, which is well above the industry's average for container volume.

"We also set what could be the new world's record for container terminal productivity by achieving an impressive 801 container moves in one hour during CMA CGM Jean Mermoz's port of call at Westports.

"This achievement is a reflection of our teamwork, client-focused approach and excellent terminal facilities at Westports," he said.

At the noon break, Westports shares fell one sen or 0.3% to RM3.94, giving it a market capitalisation of RM13.44 billion. It saw some 111,300 shares exchanging hands.